



Rio Tinto

Rio Tinto Simfer

2010 performance update

Rio Tinto Simandou sustainable development report 2009



This document provides an update of our performance for the 2010 calendar year for our publicly reported health, safety, environment and community key performance indicators. This document provides a brief discussion on our performance in these areas as well as listing some of our 2010 achievements.

This 2010 performance update addendum should be read in conjunction with the *Rio Tinto Simandou sustainable development report 2009*.

Important Information: This publication may include "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical facts included in this publication, including, without limitation, those regarding Rio Tinto's financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to Rio Tinto's products, production forecasts and mineral positions), are forward-looking statements. Forward-looking statements are based on numerous assumptions and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Rio Tinto, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Community

Notable achievements in 2010

- Completed a literacy programme in Kerouane, involving nearly 100 young adults.
- Distribution of 10,000 DEET impregnated bed nets.
- Business training provided to over 130 local small businesses resulting in an average 30 per cent increase in productivity.
- In collaboration with the International Finance Corporation (IFC), provided training and coaching to local suppliers on marketing, customer relations, health and safety and human resources.
- Constructed the Business Enterprise Centre in Beyla.
- Civil society and local authorities trained on management of community infrastructure.
- Constructed three bridges in Beyla and 24 new water wells.
- Completed the Public Consultation and Disclosure Strategy and communicated to key stakeholders.
- Completion of a human rights desktop study through the Danish Institute of Human Rights.
- Completion of a health baseline assessment.

Community grievance procedure

In 2010 we implemented our community grievance procedure at Rio Tinto Simfer. The objective of this procedure is to provide a channel for individuals and communities to voice their concerns in an efficient and transparent manner, strengthen our social performance, minimise community conflict and have a process in place where grievances can be resolved effectively and in a constructive manner in collaboration with the population and the local authorities.

During the year, Rio Tinto Simfer received 35 grievances from the communities, each of which were resolved in 17.5 days (yearly average). The main grievance issues related to damage to property, employment issues, late payments to our community subcontractors and damage to fields due to erosion or sedimentation. Grievances were resolved in close consultation with all affected parties and local authorities, through monetary compensation, replacement of the damaged asset or via other means.

Front cover
View of early morning mists from the Canga East camp.

Local economic development

In 2010, we completed the construction of our Business Enterprise Centre in Beyla. This centre provides for the delivery of our small business programmes and provides businesses in Beyla with access to business information and training, credit and the use of office and communication equipment. A micro-credit initiative has been established and in 2010, 66 local small businesses received credit to assist with their commercial activities.

We have established a local programme through 'Pride Guinee' which provides support to local small businesses operating in industries such as agribusiness, construction and textiles. Through this programme, over 130 local small businesses were provided with business training during 2010, as well as personalised coaching and capacity building to 16 local Rio Tinto suppliers through the IFC.

It has been estimated that the productivity of participating small businesses has improved by approximately 30 per cent.

Stakeholder engagement

In 2010 we finalised our Public Consultation and Disclosure Strategy and held four major forums with the civil society in Beyla and one major forum in Macenta. We also held over 280 formal meetings and a further 350 informal meetings with stakeholders.

Access to information for our external stakeholders continued to be provided via a number of forums throughout 2010. These included formal civil society meetings, informal and formal meetings with sections of the community, restitution meetings, consultation and focus groups, as well as meetings with individuals, updates on local radio and information centres in Kerouane and Beyla.



Right
Local women selling goods at a market in Kerouane.



Left
On-site nursery where plants are grown for use in rehabilitation and reforestation activities.

Environment

Notable achievements in 2010

- The Pic de Fon Classified Forest Management Plan was approved by all stakeholders and formal Government approval obtained from the Guinean Ministry of Environment, Water, Forests and Sustainable Development. Implementation also commenced in 2010.
- In-stream water quantity and quality monitoring network implemented and is now ongoing.
- Over 100 hectares of trees were planted by communities in surrounding areas as part of the Rio Tinto managed reforestation project.
- Establishment of a Hunting Confederation (legalised as a regional entity during 2010) to control hunting within the Forêt Classe.
- Commenced operation of the 'bio-remediation landfarm' facility used to remediate hydrocarbon contaminated soil.
- Participation with local authorities through a wildfire prevention campaign.
- Environmental authorisations obtained for drilling activities at Forecariah, landfill facility and equipment installation at Canga.

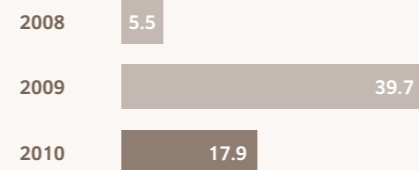
Environmental performance 2010

Land

In 2010 we disturbed a total of 28.5 hectares and rehabilitated approximately 17.9 hectares of previously disturbed land, as opposed to 39.7 hectares rehabilitated in 2009 and 5.5 hectares in 2008.

The decrease in the total area rehabilitated during 2010 was primarily due to the implementation of a hydroseeding truck for rehabilitation works (refer to p.23 of our *Rio Tinto Simandou sustainable development report 2009* for further information).

Total land rehabilitated hectares (ha)



For that reason most of our rehabilitation work at Rio Tinto Simfer no longer occurs in the dry season as the seed mix applied by the hydroseeder requires the soil substrate to be inherently moist in order to improve germination and establishment.

In 2010, the wet season started later than usual and as a result, our rehabilitation activities commenced later than expected.

Waste

Our waste management programme that has been implemented on site includes the segregation and recycling of waste streams. Materials collected on site for recycling in 2010 totalled 62 tonnes, which is a decrease from 97 tonnes in 2009, with both years presenting a significant increase from 2008, indicating that the recycling training and awareness programmes are now entrenched on site and that personnel have learned to identify waste types and dispose of them appropriately.

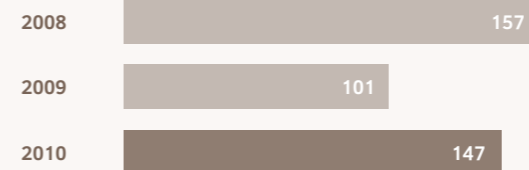
During 2010 a number of Guinean companies with suitable facilities for the recycling of waste oil, aluminium and plastic were identified and we aim to use these companies for these services in 2011 and beyond.

Water

Despite operating in a region that experiences high annual rainfall, the consumption of water is still a significant issue for us on site. Clean water is a precious resource in this region, particularly during the dry season.

Our water comes from a natural spring located at the foot of the Pic de Fon range, and is treated via a water treatment plant on site. In 2010 we consumed 147 megalitres which is an increase of 46 megalitres from 2009 (101 ML).

Total water use megalitres (ML)

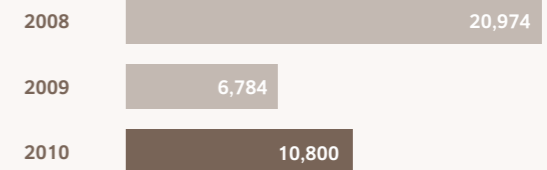


Energy

Our primary energy source on site is diesel which we use in our mobile and drilling equipment as well as generators used for electricity production. Our diesel consumption for 2010 was 3.76 megalitres and 2.38 megalitres in 2009.

Other smaller contributors to our greenhouse gas emissions come from aviation fuel and liquid petroleum gas (LPG). Our total greenhouse gas emissions from all fuel sources on site in 2010 was 10,800 tonnes (CO₂ equivalent) compared with 6,784 tonnes in 2009.

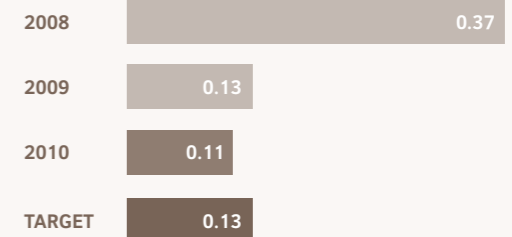
Total greenhouse gas emissions tonnes CO₂ equivalent



Incidents

The rate of environmental incidents continues to decrease at Simandou. Our Significant Environmental Incident Frequency Rate (SEIFR) has reduced from 0.13 in 2009 to 0.11 in 2010. Our target for 2010 was 0.13.

Significant Environmental Incident Frequency Rate (SEIFR)



The SEIFR is calculated as the number of significant environment incidents per 200,000 person hours worked

Community health, safety, security and human rights

HIV/AIDS and malaria are two of our key health concerns. We continued our HIV/AIDS awareness programme throughout 2010 with forums, individual meetings and awareness sessions for women, distribution of information brochures, messages on the local radio and the establishment of an HIV/AIDS Caravan.

In 2010 we distributed 10,000 DEET impregnated malaria nets and we estimate that approximately 90 per cent of persons receiving malaria nets are using them correctly. The partnership with the Ministry of Health, through the National Programme on Malaria Prevention (PNLP) was strengthened this year and approximately 90 community agents have now been trained through the PNLP.

Human rights is a critical issue for Rio Tinto Simfer. A human rights desktop study was completed in 2010 which will be followed by a Human Rights Impact Assessment. Human rights awareness sessions were conducted with our employees and contractors, with additional specialised training provided to our security personnel.

Rural development

In Beyla we completed the construction of three bridges and constructed 24 new water wells with another 12 currently under refurbishment. We worked in conjunction with national agencies responsible for water wells to ensure that they comply with Guinean standards.

In 2011, it is proposed that Rio Tinto will sign a Memorandum of Understanding with the Guinean Ministry of Decentralisation to implement rural development programmes through the PACV (Programme d'Appui Aux Communautes Villageoises) programme.



Construction of water wells utilising labour from the local community in Beyla.

Health and safety

Flora and fauna

In 2010 we continued our flora and fauna survey programmes where this year our botanical surveys have increased the number of known sites of occurrence for a number of Conservation Priority Species (CPS), notably *Brachystephanus oreacanthus* and *Dorstenia astyanactis*.

Target amphibian surveys have also identified an increased number of known sites of occurrence for three CPS frog species. Additionally our survey work has resulted in a revision to the known global distribution of the restricted-range species *Ptychadena submascareniensis*.

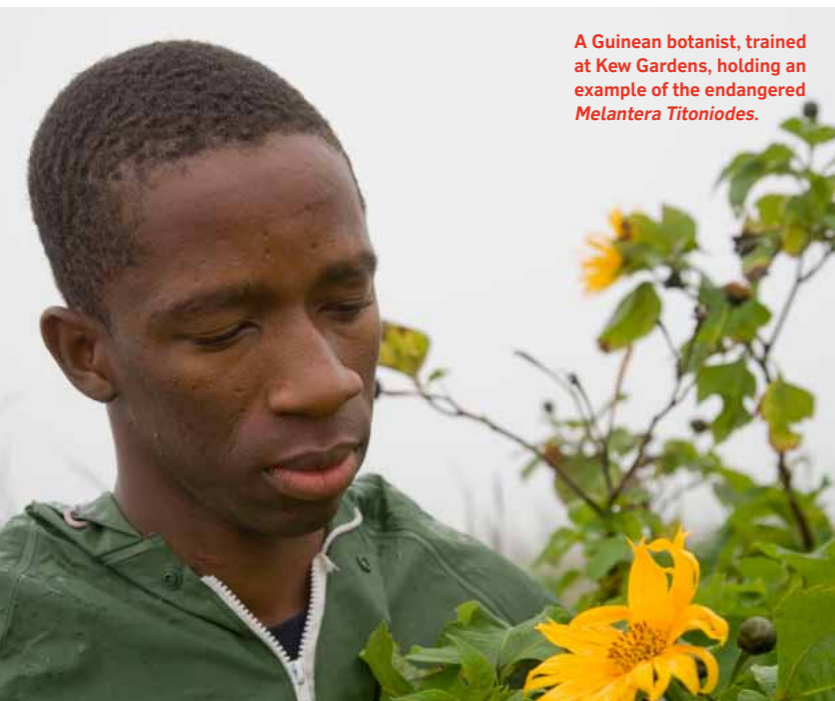
Stakeholder involvement

In 2010 we engaged a number of our external stakeholders in a number of environmental initiatives and programmes. One of the most significant programmes in 2010 involved the reforestation of 109 hectares throughout 57 villages in the Beyla region, 13 hectares throughout six villages in the Macenta region and 26 hectares in Lamandou.

This year we provided support to the Kew Botanic Gardens in providing equipment required to establish a National Herbarium. We also participated with the local authorities in a wildfire prevention programme.

The Minister of Environment and Sustainable Development also visited the site in April 2010 to personally inspect a number of our environment activities and programmes.

A Guinean botanist, trained at Kew Gardens, holding an example of the endangered *Melanthera Titaniodes*.



Notable achievements in 2010

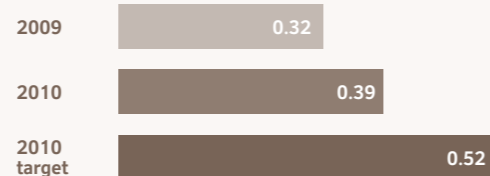
- Won the Sam Walsh Safety Award for the malaria vector control programme.
- Completion of extensive baseline occupational hygiene monitoring campaign.
- Delivered an annual series of fortnightly health and safety awareness sessions to the entire workforce.
- Successfully launched our alcohol management programme as part of our fitness to work programme.
- Over four million consecutive work hours without a lost time injury.
- Ongoing implementation of health and safety management system.

Health and safety performance 2010

During 2010 we reached over four million person hours worked without a lost time injury however this LTI-free period ended in May 2010, when we recorded our first LTI for over twelve months. This prolonged run of LTI-free days illustrates our commitment made to safety on site and the level of effort from our workforce in acknowledging safety performance as a priority.

Our All Injury Frequency Rate (AIFR) was well below our target (0.52) for 2010 at 0.39.

All Injury Frequency Rate (AIFR)



AIFR is calculated as the number of all injuries per 200,000 person hours worked

In 2010 the number of medical treatment cases (five) was the same as in 2009.

Medical treatment cases



We encourage our employees and contractors to report all incidents and near-misses through our incident reporting system, which serves as an important tool to improve safety across the site. We reported 146 health and safety incidents during 2010.

Malaria vector control programme

The health and welfare of all of our employees and contractors is paramount and Rio Tinto Simfer strongly believes that all malaria cases within areas under project management are preventable. Therefore in 2008, we commenced a comprehensive vector control programme with the objective to eliminate incidents of new malaria cases in areas under our control.

This programme is managed on a number of levels, from environmental and chemical mitigation, control and reduction of individual risk to limiting the effect of infection and ensuring prompt diagnosis and treatment.

The implementation of the malaria vector control programme has seen a near halving of the malaria frequency rate in controlled areas between January 2009 and February 2010 and even greater reductions in uncontrolled areas.

Further discussion on this programme is provided on pages 26 and 27 of our *Rio Tinto Simandou sustainable development report 2009*.

In recognition of these results as well as the significant efforts involved in developing and implementing this

programme, it was awarded the Sam Walsh Safety Award in 2010.

Health and safety management systems

As part of our requirement to implement the Rio Tinto HSEQ management system, we are continuing to develop and implement internal management systems and corporate performance standards across our Rio Tinto Simfer operation.

In August we underwent the biennial corporate health, safety and environmental audit. Due to the significant amount of work undertaken in 2010 we achieved several commendations for our health and safety programme.

During 2010 we developed a detailed health and safety risk register which forms the foundation for our entire health and safety management system. We have created and implemented management programmes that address alcohol-related fitness to work, legionnaires' disease, food safety and nutrition.

A consultant occupational hygienist has been working with us since June 2010 to establish a quantitative baseline for occupational health-related exposures such as respiratory hazards, noise, vibration and thermal stress. This baseline is now being used to prioritise actions for ensuring that where health risks cannot be eliminated, they are appropriately managed.

Rio Tinto Simfer also provides secondment opportunities to other Rio Tinto businesses which helps promote knowledge sharing and capacity building within our team by learning and sharing ideas, experiences and opportunities from other business units.

We are also building capacity amongst the team by providing formal and on-the-job training for our inspectors and advisors in collecting and evaluating hygiene monitoring data. A range of monitoring equipment has also been procured for use by the team. This will ensure that in the future our own in-house resources can manage our ongoing hygiene monitoring programme in order to ensure that our workforce, contractors and visitors continue to be protected.

Thermal stress training at Canga East.



Establishing a mobile drilling station at the Rio Tinto Simfer project.



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